GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2148
ANSWERED ON:02.12.2002
REVISION OF FARE BY IA
DR. KIRIT SOMAIYA;MANIKRAO HODLYA GAVIT

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Indian Airlines increased its fares by 10% recently which became operational in November 2002;

(b) if so, the reasons therefor;

(c) whether this would adversely affect number of passengers undertaking Air travel;

(d) if so, the extent of loss likely to be incurred;

(e) whether other Airlines have proposed a similar hike;

(f) whether these exists any Regulatory Authority for Civil Aviation on the lines of IROA, SEBI, TRAI etc; and(g) if not, the measures taken to protect the interest of passengers against the monopoly of airlines?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK)

(a): Yes, Sir.
(b): Indian Airlines had last increased its fares, across the board on the domestic network, in October, 1998. Thereafter, in view of overall increase in the input costs over the years, an across the board increase of 10% on domestic sectors has been effected from 10th November, 2002.
(c): No, Sir.
(d): Does not arise.
(e): Yes, Sir. Jet Airways and Sahara Airlines have also increased their fares by about 10% in November, 2002.
(f) and (g): Fares on domestic sector are not regulated. All airlines operators are free to charge any fare based on their cost input and the competitive market environment.